

# HOUSE BILL 62

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(PRE-FILED)

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By: ~~Delegate V. Turner~~ Delegates V. Turner and Beidle

Requested: September 10, 2009

Introduced and read first time: January 13, 2010

Assigned to: Environmental Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 19, 2010

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Environment – Payment of Cost Differential – Nitrogen Removal Technology**

3 FOR the purpose of ~~repealing a certain contingency on the requirement~~ requiring that  
4 the Department of the Environment pay for certain costs associated with the  
5 installation of on-site sewage disposal systems utilizing nitrogen removal  
6 technology with money from the Bay Restoration Fund under certain  
7 circumstances in certain calendar years; requiring the Department to make  
8 payment with money from certain General Fund appropriations if certain  
9 funding is unavailable; giving priority for certain funding to certain  
10 homeowners installing on-site sewage disposal systems utilizing nitrogen  
11 removal technology declaring the intent of the General Assembly; and generally  
12 relating to on-site sewage disposal systems utilizing nitrogen removal  
13 technology.

14 BY repealing and reenacting, without amendments,

15 Article – Environment

16 Section 9-1108(a)

17 Annotated Code of Maryland

18 (2007 Replacement Volume and 2009 Supplement)

19 (As enacted by Chapter 280 of the Acts of the General Assembly of 2009)

20 BY repealing and reenacting, without amendments,

21 Article – Environment

22 Section 9-1108(b) ~~and 9-1605.2(h)(1) and (2)~~

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland  
2 (2007 Replacement Volume and 2009 Supplement)

3 BY repealing and reenacting, with amendments,  
4 Article – Environment  
5 Section 9–1108(c) and ~~9–1605.2(h)(3)(i)~~  
6 Annotated Code of Maryland  
7 (2007 Replacement Volume and 2009 Supplement)

8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
9 MARYLAND, That the Laws of Maryland read as follows:

10 **Article – Environment**

11 9–1108.

12 (a) (1) In this section the following words have the meanings indicated.

13 (2) “Nitrogen removal technology” means the best available technology  
14 for the removal of nitrogen.

15 (3) “On–site sewage disposal system” means a sewage treatment unit,  
16 collection system, disposal area, and related appurtenances.

17 (b) A person may not:

18 (1) Install, or have installed, on property a person owns in the State in  
19 the Chesapeake and Atlantic Coastal Bays Critical Area, an on–site sewage disposal  
20 system to service a newly constructed building, unless the on–site sewage disposal  
21 system utilizes nitrogen removal technology; or

22 (2) Replace or have replaced, an existing on–site sewage disposal  
23 system on property a person owns in the State in the Chesapeake and Atlantic Coastal  
24 Bays Critical Area, unless the replacement on–site sewage disposal system utilizes  
25 nitrogen removal technology.

26 (c) (1) ~~IN SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION AND IN~~  
27 accordance with § 9–1605.2(h) of this title, the Department shall assist homeowners  
28 ~~[in] BY~~ paying the cost difference between a conventional on–site sewage disposal  
29 system and a system that utilizes nitrogen removal technology with money from the  
30 Bay Restoration Fund~~], if sufficient funds are available].~~

31 ~~(2) IF SUFFICIENT FUNDS ARE NOT AVAILABLE FROM THE BAY~~  
32 ~~RESTORATION FUND, THE DEPARTMENT SHALL PAY FOR THE COST~~  
33 ~~DIFFERENCE BETWEEN A CONVENTIONAL ON SITE SEWAGE DISPOSAL SYSTEM~~  
34 ~~AND A SYSTEM THAT UTILIZES NITROGEN REMOVAL TECHNOLOGY WITH MONEY~~  
35 ~~FROM THE DEPARTMENT’S GENERAL FUND APPROPRIATION.~~

1           **(2) IN CALENDAR YEARS 2010, 2011, AND 2012, THE**  
 2 **DEPARTMENT SHALL ASSIST HOMEOWNERS BY PAYING 100% OF THE COST**  
 3 **DIFFERENCE BETWEEN A CONVENTIONAL ON-SITE SEWAGE DISPOSAL SYSTEM**  
 4 **AND A SYSTEM THAT UTILIZES NITROGEN REMOVAL TECHNOLOGY WITH MONEY**  
 5 **FROM THE BAY RESTORATION FUND, IF THE HOMEOWNER:**

6                   **(I) IS REQUIRED UNDER SUBSECTION (B)(2) OF THIS**  
 7 **SECTION TO REPLACE AN EXISTING ON-SITE SEWAGE DISPOSAL SYSTEM WITH**  
 8 **AN ON-SITE SEWAGE DISPOSAL SYSTEM THAT UTILIZES NITROGEN REMOVAL**  
 9 **TECHNOLOGY; AND**

10                   **(II) HAS A FAILING ON-SITE SEWAGE DISPOSAL SYSTEM.**

11 ~~§ 1605.2.~~

12           ~~(h) (1) With regard to the funds collected under subsection (b)(1)(i), from~~  
 13 ~~users of an onsite sewage disposal system or holding tank that receive a water bill, (ii),~~  
 14 ~~and (iii) of this section, beginning in fiscal year 2006, the Comptroller shall:~~

15                   ~~(i) Establish a separate account within the Bay Restoration~~  
 16 ~~Fund; and~~

17                   ~~(ii) Disburse the funds as provided under paragraph (2) of this~~  
 18 ~~subsection.~~

19           ~~(2) The Comptroller shall:~~

20                   ~~(i) Deposit 60% of the funds in the separate account to be used~~  
 21 ~~for:~~

22                           ~~1. Subject to paragraph (3) of this subsection, with~~  
 23 ~~priority first given to failing systems and holding tanks located in the Chesapeake and~~  
 24 ~~Atlantic Coastal Bays Critical Area and then to failing systems that the Department~~  
 25 ~~determines are a threat to public health or water quality, grants or loans for up to~~  
 26 ~~100% of:~~

27                                   ~~A. The costs attributable to upgrading an onsite sewage~~  
 28 ~~disposal system to the best available technology for the removal of nitrogen;~~

29                                   ~~B. The cost difference between a conventional onsite~~  
 30 ~~sewage disposal system and a system that utilizes the best available technology for the~~  
 31 ~~removal of nitrogen;~~

32                                   ~~C. The cost of repairing or replacing a failing onsite~~  
 33 ~~sewage disposal system with a system that uses the best available technology for~~  
 34 ~~nitrogen removal; or~~

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1 ~~D. The cost, up to the sum of the costs authorized under~~  
 2 ~~item 1B of this item for each individual system, of replacing multiple onsite sewage~~  
 3 ~~disposal systems located in the same community with a new community sewerage~~  
 4 ~~system that is owned by a local government and that meets enhanced nutrient~~  
 5 ~~removal standards.~~

6 ~~2. The reasonable costs of the Department, not to exceed~~  
 7 ~~8% of the funds deposited into the separate account, to:~~

8 ~~A. Implement an education, outreach, and upgrade~~  
 9 ~~program to advise owners of onsite sewage disposal systems and holding tanks on the~~  
 10 ~~proper maintenance of the systems and tanks and the availability of grants and loans~~  
 11 ~~under item 1 of this item;~~

12 ~~B. Review and approve the design and construction of~~  
 13 ~~onsite sewage disposal system or holding tank upgrades;~~

14 ~~C. Issue grants or loans as provided under item 1 of this~~  
 15 ~~item; and~~

16 ~~D. Provide technical support for owners of upgraded~~  
 17 ~~onsite sewage disposal systems or holding tanks to operate and maintain the upgraded~~  
 18 ~~systems; and~~

19 ~~(ii) Transfer 40% of the funds to the Maryland Agriculture~~  
 20 ~~Water Quality Cost Share Program in the Department of Agriculture in order to fund~~  
 21 ~~cover crop activities.~~

22 ~~(3) (i) Funding for the costs identified in paragraph (2)(i)1 of this~~  
 23 ~~subsection shall be provided in the following order of priority:~~

24 ~~1. OWNERS REQUIRED UNDER § 9-1108 OF THIS~~  
 25 ~~TITLE TO INSTALL ON-SITE SEWAGE DISPOSAL SYSTEMS UTILIZING NITROGEN~~  
 26 ~~REMOVAL TECHNOLOGY;~~

27 ~~2. For owners of all levels of income, the costs identified~~  
 28 ~~in paragraph (2)(i)1A and B of this subsection; and~~

29 ~~[2.] 3. For low income owners, as defined by the~~  
 30 ~~Department, the costs identified in paragraph (2)(i)1C of this subsection:~~

31 ~~A. First, for best available technologies for nitrogen~~  
 32 ~~removal; and~~

33 ~~B. Second, for other wastewater treatment systems.~~

1        SECTION 2. AND BE IT FURTHER ENACTED, That, except as provided by §  
2 9-1108(c)(2) of the Environment Article, as enacted by Section 1 of this Act, it is the  
3 intent of the General Assembly that the Department of the Environment may use an  
4 economic means test to determine the financial assistance awarded to a homeowner  
5 for the cost difference between a conventional on-site sewage disposal system and a  
6 system that utilizes nitrogen removal technology.

7        SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take  
8 effect October 1, 2010.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.